Union Labour Minister has addressed letters to the State Governments that they should constitute expert study groups or whatever they call it, to identify the hazardous chemical industries that are located in their state and than monitor what is going on there. Now, I am told, the States of Maharashtra, Gujarat, Tamil-Nadu and West Bengal have identified those industries and have already intimated to the Minister of Labour. Now, this is from the Labour Ministry. They are coordinating with the State Governments. The Department of Chemicals and Petro-Chemicals have also constituted an Inter Ministerial Group to examine all this and also to evolve a method as to how to monitor such things and how to prevent such things. This Inter-Ministerial Group has constituted, I am told, about 6 subgroups. I do not have the details. I quickly got the information because I thought that the Hon'ble Members might raise this question. After this exercise, I think, the Environment Department is proposing to constitute the Hazardous Substance Control Board which ultimately will be coordinating for the prevention of all this. Therefore, Government is not taking very easily all these matters and after we have experienced, we are taking it very seriously and trying to see that such things do not occur in future. As far as the culprits in this particular case are concerned, I can only assure the Hon'ble Members that every step will be taken to find out the culprits and bring them to book. Thank you, Madam.

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

Reported Crippling effect of the New Textile Policy on Handloom and Powerloom Sectors. Textile workers and cotton growers—CONTD.

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE): Now, if you want discussion on the calling attention on the textile policy of the Government.

SOME HON. MEMBERS: Yes.

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE): Shri J. P. Yadav. He is not there. Then Shri G. R. Matto.

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir:) Madam Vice-Chairman, I view with sympathy and understanding the sentence in the statement of the Hon'le Minister that we have yet to see the impact of the present textile policy and it is too early to judge its effective implementation. While this is true that it is only a few months back that this textile policy has been announced but it is also to be understood that the textile policy announced by the Government is not the last word on the subject. It can undergo changes. The Government must have its hand on the pulse of the entire three units of the industry namely, the powerloom sector, the handloom sector and the organised sector. If even now something is amiss somewhere, the Government should not hesitate to take such steps as are necessary to set things right.

Now, from the speeches that I have heard from the other hon. Members and from my own reports, I must say that the situation in the powerloom and handloom sectors is not happy. I was just in the corridor in the afternoon when a person from Bhiwandi met me and he told me that about a month and a half back, 50 per cent of the powerlooms were idle in Bhiwandi. Now the situation has slightly eased but he says that 25 per cent of the powerlooms in Bhiwandi are even now idle. This he says, is the result of the textile policy inasmuch as the imposts, the excise duty and other imposts, on the powerlooms' cloth have been equated with those of the organised sector. This has resulted in this situation.

Now, with regard to the handloom sector, in which crores of people are employed, I have only to tell the Minister that they are not getting their yarn at a remunerative price. In this regard, we have an example in Kashmir. A few years back, our handloom sector was experiencing difficulties in obtaining woollen yarn. Now the Government is empowered under the

[Shri Ghulam Rasool Matto]

Essential Commodities Act and the Textile Control orders thereunder, and they were forcing the spinning sector to deliver to the associations of handloom weavers a particular amount of yarn of a particular count at a particular price. the quantity is small but the price was fixed by the Government. Now if this policy is adopted and the spinning sector is compelled, to deliver a small percentage of their production to the associations of these handloom weavers at a price to be fixed by the Government, I think it would go a long way in ameliorating the lot of the handloom weavers who are suffering because of the high prices of yarn. Unless these two steps are taken immediately, I am afraid that both the powerloom sector and the handloom sector will suffer a lot.

The third and the last point that I want to make is that while the Ministry has taken cognizance of the entire handloom industry, the woollen sector has not been taken into consideration. A considerable amount of woolen cloth is manufactured by the handloom sector right from Kashmir to Nagaland and the eastern region. So, woollen yarn at competitive rates, even subsidised rates, has to be provided to the handloom weavers. This must be taken into consideration because a large number of our population have to wear woollen clothes during winter and even in summer. So this should not be lost sight of.

Lastly, for all time to come, if we have to maintain the present position regarding providing of employment to the handloom sector, it has to be understood that it cannot compete with the powerloom sector or the organised sector. Some measures have to be taken whereby they can compete with them. This thing must not be lost sight of in any textile policy.

With these observations, I conclude.

PROF. C. LAKSHMANNA (Andhra Pradesh): Madam Vice-Chairman, While the new Textile Policy was announced in this House by the predecessor of the present Minister, it was made clear at that time to the Minister and to the Government that the new policy was bound to have a deleterious effect on the handloom sector. I had occasion to point out to the Minister about the naivete which he exhibited about the possibility of increasing employment opportunities as a result of the Textile Policy by explaining the arithmetic involved in it, and I pointed out how the new Textile Policy would not create employment opportunities, how it would only result in the distribution of poverty. Since that time the policy has been in force and the Minister says that the period has been too little to assess the impact of the policy. But then, how do we assess the impact? We assess the impact in two terms: how it is being implemented, and, secondly, what the policy itself is. If we talk about the implementation of the new Textile Policy, it has to be talked about in terms of four things: about yarn supply, technological improvements, credit and removal of cost handicap. We have to examine the implementation of the new Textile Policy in terms to these four categories. If in this period any attempt has been made to correct the mistakes that have been committed earlier, if the movement is in the right direction, then we can come to the conclusion that in course of one year or two years or three years or four or five years perhaps it will yield results. What little we have got so far will clearly indicate that there is no way of coming to the conclusion that this new Textile Policy will be helpful to the handloom industry in terms of these four categories. If we look at the yarn supply, it was stipulated in the report of the sub-group on Handlooms during the sixth Plan 1980-85 that by 1984-85 the National Handloom Development Corporation will command yarn supplies to the handloom sector to the extent of Rs. 262 crores to make an impact or the yarn supply problem. What is the positon? As against the anticipated Rs. 262 crores, the performance of the NHDC was less than 1 per cent. That is, only Rs. 1.8 crores in 1984-85. This was the position in 1984-85. If the Minister can stand up and say that during the current year there has been any improvement in terms of the expenditure towards supply of yarn to the handloom sector, then I will be prepared to accept it. But the facts prove that there has been no substantive improvement as

far as yarn supply is concerned. And if there is a lacuna in terms of the supply of yarn on the part of the new Textile Policy, then how does he conclude that given the time the new Textile Policy is going to help the handloom industry? Then, coming to the next point, *viz.* technological improvements, what are the technological improvements that have been thought of and what are the technological improvements that have been brought in? For this, if we look at the various aspects of technological improvements the Ministry of Textiles has to shoulder the responsibility of making that new technology available to the handloom sector. It has failed. The new technology should be at a reasonable price and there should be a continuity of supply. On both these counts the Ministry has failed. Therefore, the talk of technological improvements will only remain as a slogan, as it has remained all the while, that we are moving into the twenty-first century. They say that they will modernise. But then not a single concrete effort has been made either during the last five years or after the announcement of the new textile policy in the month of March-April. Nothing has been done Therefore, to think that the new textile policy will change the complexion of the handloom industry because of the technological improvements will only believe our expectations in the years to come. In fact, there was a meeting on the 15th July, 1985 under the auspices of the Council for the Advancement of Rural Technology.

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE) : Please try to finish.

PROF. C. LAKSHMANNA: Madam, I am trying to finish as soon as possible. But if I do not cover these four categories, I would not be doing justice to the subject.

I was saying that there was a meeting of this Council and each time the complaint was that there is the financial constraint and, therefore, these technological improvements which have to be effected in the handloom sector cannot be effected. The handloom sector was handicapped by finance, equipment and personnel, that is, this sector has been handicapped for want of finance, equipment and personnel. The three Institutes which are supposed to give innovative technology to the handloom sector and which are supposed to bring about a change in that sector are constrained by finance, by equipment and by personnel. If that is the case, how do you expect these Institutes which have been constrained by these three things to give new technologies to the handloom sector which will get modernised and therefore the handloom workers will be benefited by that?

Now, I come to credit. The fact that for 90 per cent of its credit requirements the handloom sector is still dependent on high cost profit-greedy moneylenders, despite the nationalisation of banks by the Central Government sixteen years ago and despite the handlooms being recognised as a priority sector, will speak for itself as to the type of credit that is being given to the handloom sector. Therefore, when there is no institutional finance and credit coming to the help of the handloom sector, how does the Minister conclude that given the opportunity, it will be shown in the course of two or three years that the handloom industry will be benefited and that it is too early to make an assessment?

Coming to the cost handicap, I would like to say that according to the working Group on Handlooms of 1980, the cost of yarn available to the handloom is thirty per cent higher than what it costs the mills. The bulk of the credit available to the handlooms is at a rate three or four times higher than the rate of interest at which the mills get. This is the way in which you are going to help the handloom sector where, next to agriculture, a large number of people are employed. Either in terms of credit facilities or in terms of cost of yarn, in both case, if the rate is higher, if the price is higher, how do you expect that sector to compete with the textile mill sector? Now, if the handloom industry has to survive, it was rightly decided in the beginning that it has to have some protective measures and these protective measures have to be in terms

[Prof. C. Lakshmanna]

of hank yarn obligation on the part of the mills and also on the powerlooms and capacity and fibre restraint on mills. If we look at these things in terms of protective measures, we will see that the hank yarn obligation on the part of the mills has been followed more in the breach than in the observance. And, on top of it, we have done away with duties on synthetic fibre. If one only sees again the slump in cotton on the one hand...

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE) : Please put questions and do not give a lecture.

PROF. C. LAKSHMANNA: I am only asking questions. There are different ways in which one can ask questions.

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE): All right. You put your questions.

PROF. C. LAKSHMANNA: I have to deal with these four categories for putting my questions. But still it seeks information. I am only asking the Minister kindly to see the connection between...

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SITARAM KESRI) : This is a Calling Attention. Only question can be asked.

PROF. C. LAKSHMANNA: I think the Minister for Parliamentary Affairs will do well to see the questions that are impregnant in my...(*Interruption*) Anyway, my question is: Has the Minister been able to see the relationship between the cotton slump which is there and the restrictions on the supply of synthetic yarn? How is it that only this year after this new textile policy there has been unprecedented slump in the cotton market? Because things are very clear. The purchase of cotton will not be useful for any sector. So I would ask the Minister kindly to answer to me in terms of all these from various factors, and whether he will still feel that the handloom industry in this country would be benefited by the new textile policy or it will prove to be a death-knell for these unfortunate workers working in the far corners of the country and ultimately prove a big burden on the employment position in this country. Thank you, Madam.

DR. (SHRIMATI) SAROJINI MAHISHI (Karnataka): Madam, the textile policy which was announced by the Government on June 6, 1985, takes an integrated view of the textile industry. This was the statement made by the Minister in the morning.

It is very necessary that an integrated approach to the problem must be taken from the cotton growers to the textile mills where the end product is to be found. But actually this thing is not being done. The cotton grower, the farmer, himself is handicapped very much. It is a cash crop and the industry shall have to come up in that area where the raw material is available. Therefore, the farmer tries to grow this cash crop. But at the outset, I would like to say that the cotton grower is not able to get seeds supply and also long staple seeds. The National Seeds Coporation is not in a position to supply these Agmark seeds. The germination capacity is very much less. I would like to say, therefore, that the cotton grower himself feels frustrated at the beginning. He does not get credit facilities also. And once cotton is grown, whether it is a mixture of Jaidhar or Lakshmi or Jai Lakshmi, all that is mixed up, and at the pressing and ginning level, of course, this cotton is mixed up and altered and the farmer is given the lowest rate that is possible for the inferior type of cotton. I do not know whether the Minister is aware of the fact whether the ginning and pressing act which was prevalent during the times of the East India Company is still prevalent in India today. And he may say—I do not say personally of course anything—the Government must look into this fact also whether the farmer is properly paid for what he grows or not. He is not paid. He is a person who is fooled by the mills, who is fooled by ginning and pressing stage and also at the stage of textile mills. And, therefore, if we at the lowest level do not take care of the person who is growing cotton for us, and if we try to import cotton and see that the shortage is made up, it is diffi-

cult to say at what time the cotton industry or the textile industry is going to prosper in this country. Therefore, I would like to say, Madam, that the farmer at that level does not know what are all the byproducts and what the things are meant for. One is yarn. The other is that once the seed is taken out, linters are used for nylon factory. Then it comes to driacetate and triacetate, which is the raw material for the photo-film industry which till now was imported but now being manufactured to an extent in the country. And the fourth one is acetate tow which is a yellow strap on cigarettes. That is made out of linters, out of cotton seeds which are there. I do not know whether the Minister is aware of all these things. I will not talk much. I will cover just one or two points more. The farmer is not able to get adequate price for cotton. He is able to grow cotton in 9 months. If he is not encouraged and cotton is imported in our country, then in what way the farmer feels encouraged? I am going to give you an example. 75000 tonnes of cotton bales are imported from Pakistan. I do not know whether the Government is aware of this fact of not. Our cotton bales go out of our country and are imported back to our country, sometimes with the same seal and marking of India where the exporters forget to remove them. I would like the Minister to verify this fact and take it into consideration.

The next point is about polyster fibre which was brought into our country and which was free from all customs duty. What is the amount of stock that these people have piled up for years to come? Therefore, the cotton growers cannot get any adequate prices. As the imported polyester and filament were man-made fibres, they were stored and cotton grower had to suffer very much. Whatever the policy, it continues over a period of years. Therefore, first of all I would like to say that it is the cotton grower who suffers.

Also, I would like the Minister to look into the fact that ginning and pressing in each State is modified and is amended according to the needs of 1985 or rather the 21st century which is so often said.

The cotton is sold to the textile mills and there are mixed varieties of cotton. There is superior cotton in it. But the cotton growers get the price of inferior quality. The textile mills sometimes are very uneconomical. Sometimes, of course with the old machinery, they are not able to give the proper spindlage. Therefore, this 25000 spindle machinery alone can work out to be economical and not the 12000 spindle machinery for which the lincences are given. Therefore, the licence should be given for 25000 spindle machinery. The yarn is given. But they are not able to utilise the maximum capacity that is expected. They cannot run the machinery to its full capacity on account of labour shortage and also on account of shortage of electricity. Electricity is in short supply and, therefore, they are not able to work for full hours. I do not know what the Textile Minister is going to do about these things.

I would also like to inform the hon. Minister about the fact that equal wages for women were introduced and a Bill was passed. After that, the women workers in the textile mills and other mills were removed because they had to pay equal wages, maternity leave and other leave. Almost all the women workers were removed. We are agitating for the employment of more and more women at least in these mills. The mill-owners also know that women are able to work more efficiently. Even then they are removed because equal wages for equal work were introduced. That is the net result of this law.

Next I would like to say that the yarn which is produced in the spining mills is not supplied to the handlooms and powerlooms properly . Of course, they are not in a position to utilise the full capacity. As a result, the handloom people and the powerloom people have to depend to a great extent upon the private moneylenders and the private mill-owners who give the money in advance. The mills in Bhiwandi, Karnataka, give them the money in advance, take the yarn and also take the cloth from these people. As Prof. Lakshmanna point out, even after nationalisation of banks the handloom weavers are not in a position to get the adequate supply of yarn.

[Dr. (Shrimati) Sarojini Mahishi]

As far as the powerlooms are concerned, the excise duty is not paid by these people. Many a time they are sealed and the Excise Department dose not look into these things for years together. They are sealed for years. No inquiry is made and the families would be suffering also. Thirdly, there are many such instances where the powerlooms are sealed and they are not opened for years together. I would like the Minister also to look into these matters and see that an inquiry is held as early as possible and the looms are cleared. Now, in these mills new sophisticated Japanese imported looms have arrived and instead of one man looking into 20 looms, as was the practice earlier, now one man can look after 40 looms. The Japanese sophisticated looms have been brought into certain mills and one man can attend to 40 looms. As a result, they are reducing the number of people who are working in the mills. Therefore, we have to see whether it is advantageous for us to import these things. Of course, the Japanese imported looms are working faster and more efficiently and the smoothness of the textile is also there. But, how do we coordinate all these things together? It is a very big problem. Therefore, the textile mill policy which has been announeed by the Government has to be considered and we have to see whether the janata cloth is produced in the handloom sector or in the pitlooms and there are many such pitlooms in the villages but they are not getting the yarn and they are not getting the credit facilities and they do not also have the market facility. Therefore, they have to depend entirely upon the credit provided by private persons who gives them the money during the time of difficulty and these have been going on. Therefore, I urge upon the Minister to see whether we are really interested right from the cotton to textile mills in this long story, whether we are really interested in improving the situation of the farmers and in improving the situation of the other people who are in-between and until, of course, the whole cotton goes in the form of textile, that big story which takes into consideration all these things, they will not be in a position to gain anything. Neither the handloom weavers, nor the powerloom weavers will get any relief. Their tale of woe continues for a long time. And, of course, we say, sitting here in Parliament that by this policy of Government their tale of woe has been reduced. But it is not the thing. Madam, I do not say it just by sitting here in the opposition but I say it in the larger interests of the farmers and agriculture and agro-economic industries. As an integrated approach to the whole problem I would like to say that he should please look into this matter and try to remedy the situation.

SHRI KHURSHID ALAM KHAN: Madam Vice-Chairman, I am thankful to the hon. Members who have taken very keen interest in the debate and some of their suggestions have been very useful. The textile policy was announced in June, 1985 and naturally it is an integrated policy and has to be an integrated policy, keeping in view all those things which the Lady Member, the last speaker has just mentioned before I rose to answer. But here I would like to submit that this is basically a long-term policy and in a long-term policy you cannot come to any conclusion within a few months' time, unless, of course, it is given a fair trial and as rightly one of the hon. Members has said that no policy is the last policy. Naturally, in the light of the experience gained, some adjustment has to be made if necessary and, therefore, we cannot think that this policy which has been announced in June, 1985 is the last word on the subject. Well, with the change of things and with the change of time it may be necessary to bring about some changes but then let us first give it a fair trial. The textile policy statement clearly states that distinct and unique role of the handloom sector should be preserved and the growth and development of this sector shall receive priority. Basically, this has been incorporated in the policy and we are really taking the action accordingly. The development of handloom through co-operatives and State development corporations is be-

ing intensified. Similarly, as the lady Member just now mentioned about credit facilities, it is our earnest effort that the largest number of weavers should be brought within the umbrella of the cooperatives so that they may be able to enjoy credit and other facilities, just as the cooperatives make those facilities available.

We have to place greater emphasis on modernisation of looms. That is one important thing. Therefore, we have decided that upto a maximum of 7500 per loom will be given to each weaver who wants to modernise his looms. Out of this, 33 per cent will be the grant component, while 66 per cent will be loan at 6-1|2 per cent. So, this is the facility available for modernisation of looms.

Inputs for improving productivity and quality of handloom is receiving special attention and rebate has also been given for 45 days plus the rebate on expos. Recently, we are going to issue the order that rebate will also be available for the bulk sales by primary societies. These were the demands from most of the Southern States and we have conceded even that.

Special arrangement to procure adequate yarn has been made. National Handloom Development Corporation has been charged with the responsibility of undertaking this work for providing yarn and this Corporation has already opened three yarn depots, one in Gauhati, and two in Bihar. In Bhiwandj, there was a report about shortage of yarn; actually there is no shortage of yarn, but then I decided that even if there is no shortage of yarn, we will open an NTC depot there. The only difficrence between the price of yarn used by mills and the yarn used by powerlooms or handloom people is that transportation charge as well as sales-tax have to be paid. We have written to all the States and some of them have also conceded that for the handlooms they will not charge sales tax. U.P. is one of the States; I do not remember exactly if Karnataka has agreed to it; but we are pusuing this with all the States. Yarn price naturally has to be related to the cotton price. On the one hand if we want an edequate cotton price, naturally the Agricultural price Commission suggests the price of any commodity after going into details of the cost of production and all the inputs that are needed and then they suggest the price of that commodity. Similarly, as I said, the price of yarn has to be related in one way or the other, to the price of cotton that is supplied for the yarn. I am surprised that it was not known to the hon. Member from Tamil Nadu who spoke this morning that apex cooperative societies supply total yarn requirements and there has been no complaint. Not only they have been supplying to them, but they also supply to North-Eastern region; mostly, the yarn needed in North-Eastern region is supplied by Tamil Nadu.

For improving the wages of the weavers, we are also trying that they should try to produce the blended fabrics also because that way they will be able to improve their wages, and this has been our effort and we are encouraging them from all sides.

Regarding Janata cloth, we have made the provision that the handloom sector should get more Janata cloth. Even in 1985-86 we have given them 60 million metre extra and this has been given to the handloom sector not to those handlooms which are producing the superior quality of cloth but to other handlooms particularly, to the dispersed handloom sector which is in the rural areas. Particularly, we know that twenty per cent handlooms are dormant handlooms in the rural areas. We thought that if we allow this additional cloth, Janata cloth, to the handloom sector, they would be able to earn a living for the whole year, because, some of them are working only for three months and some others only for six months. By this additional cloth, they would be able to work for the whole year. Out of this 20 per cent handlooms which are dormant, about 18 per cent will be benefited.

Madam, for the protection of handlooms, we have also decided, under the Handlooms Reservation Act, that it should be strictly seen that in regard to the items

[Shri Khurshid Alam Khan]

which are reserved for the handloom sector, no encroachment is made by the powerloom sector. A new handlooms reservation order is going to be issued shortly because the present order, under the Essential Commodities Act, will be valid up to the 31st March, 1986 and after the 31st March, 1986, a new order will come into force. In order to ensure that this reservation order is implemented properly, we are now working on a scheme so that the enforcement can be done by the Centre as well as by the States. It will be ensured that whatever reservations are made, no encroachment is made by any other sector.

Hon. lady Member mentioned about the import of machinery. I would like to point out that in the policy statement, it has been clearly mentioned, that no textile machinery which is produced in the country will be imported. As regards modernisation of course, unless we keep up with the developments in the rest of the world it is obvious that we would not be able to produce fine cloth or that type of cloth which will be acceptable in international markets. Therefore, it is necessary that we should go in for modernisation. At the the same time, it will be necessary to ensure that the workers are accommodated in the industry itself. If this is not possible, in a particular unit, some more work should be found for them in the same industry.

It is true that steps will have to be taken to remove, as far as possible, the cost differential between the handloom and the powerloom sectors. Madam, at present, there is this cost differential. But one thing is, of course, very obvious that this cost differential has to be removed by various measures.

Now, as far as the welfare measures are concerned, for the handloom sector, it has been decided that there should be a thrift fund for the weavers to which six paise will be contributed by each weaver, three paise will be contributed by the Centre and three paise will be contributed by the State and in this way twelve paise will be contributed for every weaver.

Apart from this, it has also been decided to provide them with shed-*cum* houses in the rural and urban areas. The work-shed-*cum*-house in urban areas will cost about Rs. 15,000. Out of this Rs. 15,000, Rs. 9,700 will be HUDOO loan at twelve and a half per cent interest, Rs. 5,000 will be the subsidy from the Centre and State and Rs. 300 will be the weaver's share. This will be in the case of the urban areas. For the weavers in the rural areas, the cost will be Rs. 9,000; out of this, Rs. 3,000 will be HUDCO loan and Rs. 6,000 will be the subsidy from the Centre and the States. This will enable the weavers to get their work-*cum*-house sheds. But I quite agree, as I mentioned in my statement, this will take some time. This cannot be done overnight.

Now, one hon. Member mentioned that no instructions are being issued that the handloom products should be purchased by the Government departments.

We have taken up this matter and 6.00PM we are pursuing this matter with most of the departments that wherever it is possible to buy the handloom product, they must do so. Whether it is sheets, pillows or towels or like that. I may also mention that a national institute of fashion sector is being set up in Delhi and this will come into being very shortly. We are making arrangements and the project is being finalised.

Now the Central Government has decided to undertake quarterly review with the Directors of handlooms of the various States. This review is done in order to ensure that the schemes, which are on-going schemes or the new schemes, are followed up vigourously. Therefore, this quarterly review has proved to be very useful.

For introduction of new designs we have 24 weaver service centres. These centres are doing useful work and we hope to continue with them. We have also taken up with the National Design Institute at Ahmedabad to take up special projects for new designs in the various parts of the country. I hope this will be an added facility for these people. I would like to men-

tion one more thing. It has been mentioned that in Bhiwandi 60 per cent powerlooms were closed. Here I would like to ask, if 60 per cent powerlooms were closed, then the 80 per cent power which is used in Bhiwandi, why was there no reduction in the use of power? Monthly average usage of power in July to September, 1984 was 115 lakh units while in July-September, 1985 it was 148 units. If 60 per cent powerlooms were closed down, the power consumption should have been less. Coming to the production of cloth, cotton cloth produced in the mills in 1985 was about 1307 million metres, powerloom produced about 1700 million metres and handloom produced 1560 million metres. The figures relate to April to September, 1985. While during the same period in 1984 the mills produced 1306 million metres, the powerloom produced about 1599 million metres and handlooms produced about 1446 million metres. If they were not getting the yarn, if they were not getting the inputs, how has the production gone up? That means, if the production has gone up, the yarn supply is easy, the input supply is available and it has not really affected production because yarn was available. Yarn is available through the cooperative societies, National Handloom Development Corporation and also from NTC. NTC is also supplying yarn.

Coming to the powerloom, it has been stated that the production and employment by powerloom in the decentralised sector have suffered due to the textile policy. I have just mentioned the figures here that the production in the powerloom has not suffered. In fact, it has gone up a little. It is a fact that poyester staple fibre duty was reduced from Rs. 45 kg to Rs. 25 per kg or by Rs. 20. This is a fact, but mostly the benefit was given to the organised sector from this. For polyester filament no duty reduction was done because there we considered that the margin of profit was very high, and therefore, if the duty reduction is done, the margin of profit will further go to the manufacturers. We thought that the market conditions would force them to reduce the price. Now from 1st November they have already reduced its price by 20 rupees per kg. It has naturally been appreciated by those art silk weavers who were using it, particularly in Surat. I think yesterday morning a deputation from Surat saw me and said that now things are settling down in Surat also after this reduction. As I have said, powerlooms have not been closed in large numbers. It is a fact not all the powerlooms work at a time. About 10 to 12 per cent powerlooms remain out of commission every now and then. There are 2 lakh powerlooms in the organised sector, but there are about 6.38 lakh authorised powerlooms and 2 lakh unauthorised powerlooms in the powerloom sector. Now we have decided that all the powerlooms, whether authorised or unauthorised, will be registered and since we have decided that all should be registered, there is some resistance on the part of these powerlooms to put up new powerlooms. We know for certain that some of the powerlooms were *benami* and therefore this has to be ended, because actually those who are the owners of the powerlooms should get the benefit, not those people who want to get them run *benami*.

The polyester fibre price no doubt is Rs. 75 per kg, but the filament cost is Rs. 160 per kg. But this difference is not only in our country; it is there all over the world.

Another thing which I would like to clarify to the hon. lady Member is this. She said why we are importing cotton when we are exporting cotton. No cotton has been imported this year. Nor have we any intention of importing cotton this year. Only 75,000 bales of short staple cotton was imported from Pakistan last year because this type of cotton was in short supply and therefore we had to import it. But as far as export is concerned, I am really surprised at the hon. lady Member's information that what the cotton we export comes back as imports, because we are exporting only the large and extra large staple and not any other variety and this is the staple which is surplus with us. Therefore, there is no question of this being imported again. Last year we gave an export permission for 2 lakh bales of this type of cotton. About a little less than 2 lakh bales were exported.

DR. (SHRIMATI) SAROJINI MAHISHI: Government would not accept this but I would like him to verify this at least.

SHRI KHURSHID ALAM KHAN: You give me the information in writing, send it to me and I will verify it

Another thing is that this year also we have given permission for export of 2 lakh bales of this type of cotton, and we also think that it may be possible for us to give another 3 lakh bales provided the prices are attractive, because at the moment we find that the prices in countries like China, which is a great producer of cotton, and Pakistan are 25 per cent lower than the market prices in this country.

I would like to mention for hon. Member, Shri Matto's information that two woolen projects for producing and marketing woollen fabrics are under consideration for the handloom sector.

Another thing is about ginning. We have now decided to approve certain ginning factories because we want that the cotton quality should be improved and if the cotton quality will improve, it will fetch better prices in export, and at the same time it will produce better yarn. Our idea is that we will make sure that the yarn availability is quite adequate for our own requirements and then we hope that we will be able to export some yarn also. On exported yarn we will be getting the added value more than by exporting cotton only.

DR. (SHRIMATI) SAROJINI MAHISHI: I hope the hon. Minister will look into the old Ginning and Pressing Act.

SHRI KHURSHID ALAM KHAN: Act we could look into, but what we have decided without looking into the Act is that we will try to improve the ginning.

Now, regarding cotton I would briefly mention that there is no problem about the availability of cotton.. (*Interruptions*) This year carry-over from last year is 24.40 lakh bales. Produce anticipated is 95 lakh bales. Import was ,of course, 75 lakh bales last year. The total is 120 lakh bales. Mill consumption expected is 86.50 lakh bales and ex-mill consumption is 4.65 lakh bales. Export is 5 lakhs. So, this makes it 96.15 lakh bales. This leaves only about 24 lakh bales with us in the country and these 24 lakh bales are enough for the lean period from September to November. So, basically this is what all I have to say. Now, if any more questions are there I would be only too glad to answer them.

THE VICE-CHAIRMAN (SHRIMATI KANAK MUKHERJEE): Thank you. The House stands adjourned till 11 a.m. on Monday.

The House then adjourned at twelve minutes past six of the clock, till eleven of the clock, on Monday the 25th November, 1985.